

Witness: Stephen Korb

Page 1

THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

ENBRIDGE ENERGY COMPANY,
INC., and ENBRIDGE MIDCOAST
ENERGY, L.P., f/k/a ENBRIDGE
MIDCOAST ENERGY, INC., f/k/a
MIDCOAST ENERGY RESOURCES, INC.,

Plaintiffs,

vs. Case No. H-06-0657

UNITED STATES OF AMERICA,

Defendant.

DEPOSITION OF STEPHEN KORB, a witness,
taken on behalf of the Defendant, pursuant to
Subpoena, on the 24th day of April, 2007, at the
Charles E. Whittaker Courthouse, 400 East 9th
Street, Kansas City, Missouri, before

GAIL L. RIEDE,

of AAA Court Reporting Company, a Certified Court
Reporter of the State of Missouri.

APPEARANCES

For the Plaintiffs:
MR. KARL S. STERN
MS. EMILY W. PIPKIN
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For the Defendant:
MR. DAVID B. COFFIN
MR. HERB LINDER
UNITED STATES DEPARTMENT OF JUSTICE
717 North Harwood, Suite 400

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

| Page 2 | Page 4 |
|---|---|
| <p>1 APPEARANCES (Continued)</p> <p>2</p> <p>3 For the Witness: MR MATTHEW T. GEIGER GADDY GEIGER & BROWN PC 2345 Grand Boulevard, Suite 675 Kansas City, Missouri 64108</p> <p>5 Also Present: MS. JANA JORDAN</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11 STIPULATIONS</p> <p>12 It was stipulated by and between 13 counsel that if this deposition is not signed 14 by the witness 30 days prior to the 15 commencement of the trial, it may be used as 16 though signed.</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> | <p>1 (The deposition commenced at 11:36 2 a.m.)</p> <p>3 STEPHEN KORB, 4 a witness, being first duly sworn, testified 5 under oath as follows: 6 EXAMINATION BY MR. COFFIN: 7 Q. Please state your name for the record. 8 A. Stephen Korb. 9 Q. What is your current address, Mr. Korb? 10 A. 21100 Whispering Drive, Lenexa, Kansas, 66220. 11 Q. Have you ever given your deposition before, 12 Mr. Korb? 13 A. Multiple times. 14 Q. So you understand generally what the rules are. 15 I'll try to ask questions that are 16 understandable, and I hope you can understand 17 them and answer them for me truthfully and 18 honestly. 19 I'll try not to interrupt you if you 20 will try to do the same for me. If you ever 21 need a break, let me know. 22 There might be objections posed during 23 this deposition, but unless your lawyer 24 instructs you to not answer it, I would ask 25 that you answer truthfully. Okay?</p> |
| Page 3 | Page 5 |
| <p>1 INDEX</p> <p>2</p> <p>3 WITNESS: STEPHEN KORB PAGE:</p> <p>4 Examination by Mr. Coffin 4 Examination by Mr. Stern 59 5 Re-examination by Mr. Coffin 69 Re-examination by Mr. Stern 70</p> <p>6</p> <p>7 PREVIOUSLY MARKED EXHIBITS: IDENTIFIED:</p> <p>8 26 - Fax to Snyder from Fortrend 38 165 - Draft representation letter 42 9 225 - (Not identified.) 50 300 - (Not identified.) 20 10 301 - Prospective buyers list 21 302 - Documents re: Williams 27 11 303 - Documents re: Enron 31 304 - (Not identified.) 34 12 305 - (Not identified.) 34 306 - Business cards from Kaneb 37 13 308 - Letter to BGL from Hoffman 49 310 - 1/25/00 Memo to Hoffman from Witness 51 14 312 - Memo from Meara 54 313 - Documents re: Butcher Interest 56 15 315 - (Not identified.) 65 316 - 8/23/99 Letter to Roberts from KPC 41</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> | <p>1 A. Okay. 2 Q. And you will need to answer verbally. 3 A. Right. 4 Q. Do you have any medical condition or are you on 5 any medication that would prohibit you from 6 understanding the questions I'm going to ask 7 today? 8 A. No. 9 Q. What have you done to prepare for this 10 deposition? 11 A. I have read the exhibits that were forwarded, 12 my understanding, from your office through my 13 counsel. 14 Q. Have you discussed your testimony with anybody 15 today other than Mr. Geiger? 16 A. No. 17 Q. Give me your educational background beginning 18 with where you graduated from high school. 19 A. I graduated from high school from Westerville 20 South High School, Westerville, Ohio. Bachelor 21 of Science accounting degree from Ohio State. 22 (Discussion off the record.) 23 A. An MBA from University of Missouri-Kansas City. 24 Q. (By Mr. Coffin) What year did you graduate out 25 of Ohio State?</p> |

2 (Pages 2 to 5)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 6</p> <p>1 A. Ohio State was '82. 2 Q. And then your MBA you completed in what year? 3 A. '93. 4 Q. Are you a certified public accountant? 5 A. I have a CPA certificate in Kansas. 6 Q. When did you receive that certificate? 7 A. '86. 8 Q. 1986. 9 And then give me your work history 10 since graduating with your accounting degree at 11 Ohio State. 12 A. I started working with the Ohio Consumer's 13 Council, which was a state agency, in the 14 public utility regulation. It was a consumer 15 advocate in Ohio. 16 Q. What year was that? 17 A. From '82 to '85. 18 In 1986, I moved to Kansas City to 19 work for a public utility regulatory consulting 20 firm, Overland Consulting. I worked for 21 Overland Consulting from '86 through '94, 1994, 22 I believe, with -- with a year stretch within 23 that, from '90 to '93, at Kansas Power & Light. 24 Then I went back to -- in '93, I went back to 25 Overland Consulting and worked there for</p> | <p style="text-align: right;">Page 8</p> <p>1 Q. That was in '94? 2 A. '94. 3 Q. Did you ever receive a promotion where you were 4 given a different title? 5 A. No, not really. 6 Q. Did your duties ever change from what you did 7 in '94 through the date it was sold in -- 8 A. When I started, I was more regulatory. 9 Q. Explain what you did as far as regulatory. 10 A. All aspects of public utility regulation in 11 front of mostly the Kansas Corporation 12 Commission; preparing proceedings, assisting in 13 the preparing of proceedings for the Kansas 14 Corporation Commission, the Missouri Public 15 Service Commission and Federal Energy 16 Regulatory Commission. 17 Q. Was that an accounting type function? 18 A. Yes. 19 Q. You did that in '94, then did your duties ever 20 progress into more? 21 A. Then I also, as the -- we started the process 22 of looking at options to sell the company, I 23 became the person responsible for cash flow 24 analysis, projections for the sale of pipeline. 25 Q. When did the company begin the process to --</p> |
| <p style="text-align: right;">Page 7</p> <p>1 another year or so. Left Overland Consulting 2 and worked for Kansas Pipeline Operating 3 Company from '93 -- '94 till we sold, 1999. 4 Q. You said it was named Kansas Pipeline Operating 5 Company? 6 A. Operating Company. 7 Q. At that time, how was that entity owned; by 8 stockholders or -- 9 A. My recollection was it was privately held 10 stock. 11 Q. By whom? 12 A. Dennis Langley. I believe Mark Bolding had 13 some stock. 14 Q. Was Mr. Langley the primary shareholder? 15 A. Yes. 16 Q. Was that a relatively new company at the time 17 you joined them in 1994? 18 A. No, it was -- relatively new, I mean, can you 19 define that for me? 20 Q. Two, three years old? 21 A. Oh, it was older than that. 22 Q. What was your first position with Kansas 23 Pipeline Operating Company? 24 A. I'm going to say financial analyst, which -- 25 and that was the title.</p> | <p style="text-align: right;">Page 9</p> <p>1 started the process to start selling the 2 company? 3 A. I -- you know, I don't remember exactly, 1999, 4 spring, somewhere in that range. 5 Q. So what did you do as far as the cash flow work 6 analysis in assisting in attempting to sell the 7 company? 8 A. Just basically prepared electronic spreadsheets 9 projecting revenues, expenses, you know, 10 balance sheet items, everything to do with 11 preparing a financial projection. 12 Q. Now, at this time, there were several entities 13 that Langley owned or were owned under the 14 corporate umbrella, the Bishop Group? 15 A. Correct. 16 Q. Could you go over those for me, what you 17 recall, the entities that led down to at least 18 the Kansas Pipeline Company? 19 A. Bishop Group owned -- my recollection was 100 20 percent of Synergy Pipeline Company. 21 Q. That's S-y-n-e-r-g-y? 22 A. Correct. 23 My understanding was Synergy owned the 24 operating pipelines, which consisted of Kansas 25 Pipeline Company, Kansas Natural Partnership,</p> |

3 (Pages 6 to 9)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

| Page 10 | Page 12 |
|--|--|
| <p>1 Riverside Pipeline Company. Synergy also owned 2 a marketing affiliate, MarGasCo. 3 And there was what we call the 4 operating company, Kansas Pipeline Operating 5 Company, which, as the name implies, was an 6 operating company. All the employees worked 7 for Kansas Pipeline Operating Company, in 8 general, and then were -- to avoid having 9 intercompany personnel issues, you know, 10 allocating personnel, we just did it at the 11 Kansas Pipeline Operating Company level. 12 There was other entities that Synergy 13 owned -- had that I don't remember. 14 Q. So the projections that you were working on 15 related mainly to which entities? 16 A. All of the operating company entities. 17 Q. Are you currently employed? 18 A. Yes. 19 Q. Where are you employed? 20 A. I am president of YSK Business Solutions, 21 Limited. 22 Q. What kind of company is it? 23 A. It is a consulting company. We do financial 24 valuations, small business organizational work 25 in terms of labor filings, you know, your</p> | <p>1 started and I was still working for MRG. 2 Q. Do you have any business relationship with 3 Mr. Langley now? 4 A. They are a client of YSK. 5 Q. What kind of work do you do for Mr. Langley 6 right now or does YSK do for Mr. Langley? 7 A. Financial valuation, cash flow analysis. 8 Q. I assume you do personal services related to 9 the consulting of the company or that the 10 company does, you consult personally yourself? 11 A. Yes. 12 Q. Do you sell any financial products with your 13 company? 14 A. No. 15 Q. How much of the business do you do for 16 Mr. Langley in relation to the other clients 17 you have? 18 A. In terms of time or in terms of revenues? 19 Q. Of fees, revenues. 20 A. Revenues? 21 Q. Yes. 22 A. Probably 90 percent. 23 Q. Now, I mean, I said earlier that you were 24 employed by the Bishop Group when you told me I 25 think it was actually Kansas Pipeline Operating</p> |
| Page 11 | Page 13 |
| <p>1 941's, your 940's, unemployment, that type of 2 stuff. 3 Q. It's a limited partnership? 4 A. It's an S-corp. 5 Q. Who are the principal shareholders of that 6 S-corp? 7 A. Myself and Yvette Korb, Y-v-e-t-t-e. 8 Q. She's a former employee of the Bishop Group as 9 well? 10 A. Correct. 11 Q. Did you begin this company after leaving the 12 employment of Bishop Group? 13 A. The Bishop Group was sold, and then I worked 14 for a new organization after that, created by 15 Mr. Langley, Management Resources Group, which 16 was a project development company. 17 Q. What were the periods of employment you worked 18 for MRG? 19 A. From the sale, I immediately was transferred to 20 MRG from the sale of the Bishop Group, to I 21 think 2003. 22 Q. Then when did you start your company? 23 A. Same time. Actually, the end of 2002, I 24 believe, I started. So there was a small, two, 25 three month period where the company was</p> | <p>1 Company. Are you still using them one and the 2 same? 3 A. Yes, yes, they are one and the same. Kansas 4 Pipeline Operating Company really just housed 5 the employees. Some of the office leasing may 6 have been through -- but I don't even think 7 that, I think it was really just an entity 8 created to house employees. 9 Q. Was there a controller or a comptroller within 10 Kansas Pipeline Operating Company? 11 A. There was a couple different. 12 Q. Who were those people? 13 A. Pam Swanson was the first comptroller when I 14 started. I'm not sure how long she was there. 15 Then eventually Greg Oetting. 16 Q. Spell that last name, please. 17 A. O-e-t-t-i-n-g. 18 Q. So who at the company was responsible for the 19 financial reporting component or the financial 20 reporting of the company, like preparing 21 financial statements and things like that? 22 A. Preparing financial statements, it would have 23 been Pam Swanson during the period she was 24 there and Greg Oetting when they transitioned 25 from one to the other.</p> |

4 (Pages 10 to 13)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 14</p> <p>1 Q. I understand that Ernst & Young performed 2 services for the Bishop Group? 3 A. Yes, Ernst & Young -- 4 Q. Who was the primary contact with Ernst & Young? 5 A. You know, I really didn't delve into that much, 6 so I can't -- I don't -- I mean, we had two 7 people, we had audit people and we had tax 8 people. 9 Q. When you say "people," are you talking about -- 10 A. Ernst & Young, we worked with both their tax 11 group and their audit group. 12 Q. Did you deal on any occasion with the Ernst & 13 Young people on the tax side or the audit side? 14 A. I dealt -- I don't remember ever dealing with 15 the audit side. I did deal with the tax side. 16 Q. That would be Mr. Snyder? 17 A. Yeah, Bruce Snyder. 18 Q. Who were you reporting to while you were 19 employed by the Bishop Group? 20 A. It's a hard question to answer. I floated 21 between multiple areas. I reported to 22 Mr. Langley for -- 23 Q. In what areas? 24 A. The cash flow -- all cash flow projection work 25 that I did was for Mr. Langley.</p> | <p style="text-align: right;">Page 16</p> <p>1 regulatory agencies a year-round duty that you 2 had or was it -- 3 A. We had -- there are reporting requirements, 4 standard reporting requirements, even if you're 5 not in a rate case proceeding or in, you know, 6 a jurisdiction, but there are some standard 7 reporting requirements that I worked on that. 8 And then it ramped up a lot if we had a rate 9 case or some case that was started in front of 10 one of those agencies. 11 Q. So you reported to Mr. Langley, Mr. Lubow. Was 12 there anyone else? 13 A. Not really. The company was small enough, I 14 mean, it was more if a project was there, 15 people were assigned to it and... 16 Q. How often do you speak with Mr. Langley now; 17 once a week or once a month? 18 A. It can be intense, you know, where it's daily, 19 and then I may not speak with him for a month. 20 Q. I believe your wife Evette (ph.) Or Yvette? 21 A. Yvette. 22 Q. She worked at Bishop as well; is that right? 23 A. Correct. 24 Q. What was her duties? 25 A. She was vice-president of administration.</p> |
| <p style="text-align: right;">Page 15</p> <p>1 Q. Was that projection work when Mr. Langley was 2 trying to sell the company or even before that? 3 A. Yes, and even some before that. 4 Q. Who else did you report to? 5 A. And then on the regulatory -- when I was doing 6 regulatory work, it was a gentleman by the name 7 of Howard Lubow, L-u-b-o-w. 8 Q. What was his position? 9 A. He was chief financial officer. 10 Q. Help me understand what the -- when you say on 11 the regulatory things, what kind of things were 12 you reporting -- or doing and then reporting to 13 him? 14 A. It was all aspect of revenue requirement 15 analysis for proceedings in front of the Kansas 16 Corporation Commission, and then toward the end 17 we were doing a lot of work at Federal Energy 18 Regulatory Commission. 19 It's not necessarily separate and 20 distinct, the cash flow, I mean, it's a lot of 21 revenue, expenses, you know, financial 22 statement -- you know, looking at financial 23 statements, that type of stuff, in regulation, 24 too, so it was all accounting related. 25 Q. Was the revenue analysis you did for the</p> | <p style="text-align: right;">Page 17</p> <p>1 Q. What did her duties entail? 2 A. Corporate secretary, human resources, risk 3 management insurance, office administration. 4 Q. Who did she report to? 5 A. Mr. Langley. 6 Q. Is she currently employed with the YSK company? 7 A. She is a stockholder, yes, and -- 8 Q. Does she do any work? 9 A. -- and does work for -- 10 Q. Does she work for anyone else right now? 11 A. Yes. 12 Q. What is her -- 13 A. She is a legal assistant at Bryan Cave. 14 Q. Had you known Mr. Langley prior to going to 15 work for him? 16 A. There was -- I met Mr. Langley through Overland 17 Consulting. Overland Consulting was retained 18 by the Bishop Companies to do regulatory work 19 for the Bishop Companies. So when I first met 20 Mr. Langley, I was still working for Overland 21 Consulting and had been hired -- the firm had 22 been hired to do regulatory -- a regulatory 23 case -- cases. 24 Q. Did he convince you to come to work for him? 25 A. I had decided to leave the company and it was</p> |

5 (Pages 14 to 17)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 18</p> <p>1 very important to Mr. Langley that I sever the 2 consulting business before. 3 Q. And that would have been in what year again, 4 '94, '95? 5 A. Yes. 6 Q. Working from '94 through '99 with Mr. Langley, 7 did you form an impression as to how 8 Mr. Langley was as a business man? 9 MR. STERN: Objection, form. 10 A. Yeah, I'm not -- yes. 11 Q. (By Mr. Coffin) What is your impression? 12 A. Very smart man. 13 Q. Any other observations? 14 A. No. 15 Q. Would you define him as shrewd? 16 MR. GEIGER: Objection, vague and 17 ambiguous. 18 MR. STERN: Objection, form. 19 MR. GEIGER: You can answer. They're 20 just for record. 21 A. Can you -- I don't understand your definition 22 of shrewd. 23 Q. (By Mr. Coffin) Was he somebody who studied 24 matters closely before he entered into a 25 transaction?</p> | <p style="text-align: right;">Page 20</p> <p>1 A. My impression always was he was -- he was 2 willing to go either way, recognizing that 3 there were tax -- significant tax consequences 4 of one versus the other. 5 Q. During the period of time in 1999 that he was 6 wanting to sell his company, did you meet with 7 him on a regular basis? 8 A. Not formally. 9 Q. How about informally? 10 A. I mean, yes, I mean, it was very ad hoc. I 11 didn't have regularly scheduled weekly 12 meetings. There would be periods of intense, 13 16-hour days, and then I may not see him for a 14 week. 15 Q. Do you recall that Chase Bank was hired to act 16 as Mr. Langley's advisor in the sale of Bishop? 17 A. Yes. 18 Q. What exactly was Chase's role? 19 A. Chase's role was basically to organize the -- 20 to locate potential buyers and formalize and 21 organize process for bringing them in, 22 presenting the information about the Bishop 23 Group, and a liaison between buyers and 24 sellers. 25 Q. Did Mr. Langley have meetings that you recall</p> |
| <p style="text-align: right;">Page 19</p> <p>1 MR. STERN: Objection, form. 2 A. Surprising, I really can't answer that. I 3 don't know how much he studied. 4 Q. (By Mr. Coffin) Do you recall the period of 5 time that Mr. Langley started discussing that 6 he wanted to sell his businesses -- or his 7 business, the Bishop Group? 8 A. Subject to however many years, nine years, of 9 memory loss, yes, I remember that time period. 10 Q. Do you recall why he wanted to sell the Bishop 11 Group? 12 A. No, I don't have a specific as to why -- 13 Q. Do you -- 14 A. -- what his decision was. 15 Q. Can you speculate as to why he wanted to sell 16 at the time? 17 A. My speculation is, I mean, the company had 18 grown to a level that was all he could make out 19 of it and he was ready to do other things. 20 Q. Do you recall when you first learned that he 21 wanted to sell? 22 A. Not specifically. 23 Q. Do you recall whether he wanted to sell stock, 24 stock he owned in the Bishop Group or he wanted 25 to sell the assets of the company?</p> | <p style="text-align: right;">Page 21</p> <p>1 with the people from Chase? 2 A. Yes. 3 Q. Did you participate in any of those meetings? 4 A. Some. 5 Q. Turn to Government Exhibit 300 in your binder, 6 please. 7 A. (Witness complies.) 8 Q. Mr. Korb, I believe I sent Mr. Geiger some 9 documents, and this would have been in that set 10 of documents. But my question to you is, had 11 you seen this document prior to me sending it 12 to Mr. Geiger? 13 A. I may have, I don't remember. I don't 14 specifically remember this document until 15 yesterday. 16 Q. Do you recall sitting in on any meetings with 17 Mr. Langley or discussing the matters that are 18 within this document with Mr. Langley at any 19 time? 20 A. I sat in on meetings when some of these issues 21 were discussed. 22 Q. It lists the various scenarios on the left-hand 23 side. Do you recall Mr. Langley preferred any 24 of the scenarios in selling his companies? 25 A. I mean, he was interested in -- the only thing</p> |

6 (Pages 18 to 21)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

| Page 22 | Page 24 |
|---|---|
| <p>1 I ever really remember working with was a 2 cash-for-stock transaction. You know, I 3 recollect a brief period where we looked at 4 stock-for-stock. A lot of it depended on the 5 entities. You know, different entities that 6 came in made us look at it different ways based 7 on their tax situation, our tax -- we were open 8 to a lot of different opportunities. 9 Q. Do you recall what entities came in that you 10 may have discussed a stock-for-stock 11 transaction? 12 A. I believe we -- not specifically. 13 Q. Enron? 14 A. We could have. I remember meeting with Enron. 15 We could have. 16 Q. Turn to the next exhibit, Government Exhibit, 17 please. 18 A. (Witness complies.) 19 Q. Do you recall seeing this document, Mr. Korb, 20 prior to me sending it to your lawyer, 21 Mr. Geiger? 22 A. I do not remember this document either. And 23 I'm sure it was in the documents you sent, but 24 I don't remember looking at this even 25 yesterday. But I'm -- you know, I'm sure it</p> | <p>1 to tell a little bit more about the process. 2 There was a data room with all sorts of 3 documents. 4 Q. Where was that located? 5 A. Bryan Cave's offices. 6 Q. On this document, Government Exhibit 301, it 7 lists Contact in the first column, Name of 8 Company and Address. And I notice that below 9 some of those names and addresses they show 10 either Data Room Visit or Declined? 11 A. Oh, yes, I see that now. Correct. 12 Q. Do you recall if Enron actually made a data 13 room visit? 14 A. Yes, I remember Enron coming in. I mean, I 15 remember that they came in. 16 Q. On the next page, The Williams Companies, it 17 says "Separate process." Do you know what that 18 meant? 19 A. As I remember the Williams situation, 20 Williams -- the Williams Pipeline was the 21 primary competitor of the Bishop Pipelines. 22 And we were very sensitive to having -- to 23 whether Williams was actually a legitimate 24 player or they just wanted to come in and see 25 everything they could on us. I don't remember</p> |
| Page 23 | Page 25 |
| <p>1 was there. I must have missed it. 2 Q. Do you know if you would have necessarily 3 reviewed something like this back in 1999? 4 A. It's possible I reviewed this in 1999. 5 Q. In looking at it today, does it refresh your 6 recollection at all as to any of these 7 potential buyers? 8 A. Oh, I mean, I certainly remember -- I remember 9 some of these names, you know, from the 10 process, you know, coming in and doing more. I 11 remember some of these names as coming in and 12 going through the data room process and the 13 presentation process. And I remember I think 14 some of these never did come in. 15 Q. Explain generally what the data room is. 16 A. Well, and I'm calling the data room the whole 17 process. 18 Chase prepared an offering memorandum 19 that they sent to a list of potential -- who 20 they considered to be potential buyers. Based 21 on their level of interest from that offering 22 memorandum, confidentiality agreements were 23 signed. Once that was done, they were provided 24 an opportunity to come to Kansas City, 25 participate in a presentation that was prepared</p> | <p>1 them ever coming into the data room. I believe 2 they received an offering memorandum. 3 Q. Now, how did you know when these potential 4 buyers were coming into the data room? 5 A. Most of the time I was there for the 6 presentations. 7 Q. What occurred within the data room? 8 A. Well, within the data room it was just a whole 9 series of documents that, you know, they just 10 asked for. They were signed out, you know, 11 signed back. If they wanted copies and were 12 allowed to have copies, I don't remember that 13 procedure, you know, copies were provided. 14 Q. I think you mentioned you were involved in the 15 process, is that what you said? 16 A. Well, there was the presentation process where 17 we provided a presentation. Then they had 18 access to the data room. And then we had what 19 we called breakout sessions, where they could 20 ask specific questions of different areas of 21 the company. 22 Q. And you participated in all three of those 23 aspects? 24 A. I did some presentations. I did some of the 25 breakout sessions.</p> |

7 (Pages 22 to 25)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 26</p> <p>1 Q. With regard to these potential buyers that are 2 listed on this sheet, did you do any due 3 diligence work? Well, let me back up. 4 Did you do any research into these 5 companies to find out more about them? 6 A. No, I don't think so. 7 Q. Do you know if somebody in the office did that 8 kind of work for you or did Chase do that? 9 A. I think we relied on Chase, my recollection was 10 we relied on Chase to -- I mean, obviously, 11 some of these -- I mean, Enron, at the time we 12 were very familiar with Williams, we were very 13 familiar with Reliant has a long history in the 14 business, Utilicorp. 15 Q. So when we talk about the Williams Company, and 16 where it says "Separate process," do you just 17 think that that was something that was done 18 differently because of Williams Company's 19 potential -- because of their competitive 20 nature or their status? 21 A. Yes. 22 Q. With regard to the data room, was it visited by 23 people at the same time or during the same 24 period of time that the presentation would be 25 made and the breakout sessions occurred, or did</p> | <p style="text-align: right;">Page 28</p> <p>1 Q. (By Mr. Coffin) Go to 302, please. 2 A. (Witness complies.) 3 Q. Mr. Korb, these are some of the documents that 4 I sent to Mr. Geiger, and I included it all 5 generally as one exhibit. If you will look 6 through that, my question is, more generally, 7 this appears to be documents generated during 8 the period of time that Williams was interested 9 in purchasing the business of Bishop Group, and 10 I was just seeing if you would agree with me on 11 that. 12 MR. STERN: Objection, form. 13 MR. GEIGER: Take your time and read 14 it. 15 THE WITNESS: Okay. 16 A. Okay, I kind of glanced through this. 17 What was your question again? 18 Q. (By Mr. Coffin) My question is, to me, this 19 appears to be documents generated during the 20 period of time that Williams was interested in 21 purchasing the business of the Bishop Group, 22 and I was just wondering if you would agree 23 with me on that. 24 MR. STERN: Objection, form. 25 A. These were not prepared for -- I can tell from</p> |
| <p style="text-align: right;">Page 27</p> <p>1 you ever have them come back? 2 A. It happened based on their schedules, always. 3 Some of them, you know, would do some of the 4 process before the presentation. It just 5 depended on their schedules, who was available. 6 Q. I envision that when this potential buyer came 7 in, you did the presentation, you did the data 8 room visit, and they had the breakout session 9 does. So my question is, did they ever have an 10 occasion where the buyer would come back to the 11 data room and request more information to come 12 back and look? 13 A. Some buyers, yes, did come back and look. 14 Q. Generally speaking, how much time would 15 somebody spend in the data room making requests 16 and looking through documents? 17 MR. STERN: Objection, form. 18 A. It varied significantly. 19 Q. (By Mr. Coffin) Did you find that the more 20 serious the prospective buyer, the more time 21 they would spend in the data room? 22 MR. STERN: Objection, form. 23 A. My perception of the seriousness, I would agree 24 with your statement based on my recollection of 25 who I thought was serious and who wasn't.</p> | <p style="text-align: right;">Page 29</p> <p>1 some of these, specifically for delivery to 2 Williams. Most of these look, to me, to be 3 prepared for other purposes. And, you know, 4 assuming that they were sent to Williams, you 5 know, that was just stuff that was already on 6 the table. I remember these maps. 7 Q. (By Mr. Coffin) Sure. If you will look at -- 8 there are some Bates numbers, what we call 9 Bates numbers, at the bottom. And if you will 10 go back to -- I hope these are in order -- 11 24892. 12 A. That looks to be a fax cover sheet. 13 Q. Yes. I was wondering if these documents that 14 follow necessarily would be an attachment to 15 that fax cover sheet. 16 MR. STERN: All of them or the seven 17 pages? 18 MR. COFFIN: The seven pages. 19 A. So the seven pages you refer to appear, to me, 20 to be just the confidentiality agreement? 21 Q. (By Mr. Coffin) Right. 22 A. I would have had nothing to do with the 23 preparation of this confidentiality agreement. 24 And my only involvement in it would have been 25 do they or do they not have a CA signed.</p> |

8 (Pages 26 to 29)

Witness: Stephen Korb

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| <p style="text-align: right;">Page 30</p> <p>1 Q. The CA is the confidentiality agreement?</p> <p>2 A. Confidentiality agreement, yes.</p> <p>3 Q. Do you recall if Williams had a confidentiality</p> <p>4 agreement signed?</p> <p>5 A. I mean, all I -- my only recollection would be</p> <p>6 from going through here and seeing a signature</p> <p>7 on 024897.</p> <p>8 Q. Oh, there is one. Okay.</p> <p>9 And then look at 24898 within that</p> <p>10 same exhibit.</p> <p>11 A. I have it.</p> <p>12 Q. That's a letter from Yvette Korb, your wife, to</p> <p>13 Mr. Compkins; is that right?</p> <p>14 A. I don't even recognize that name.</p> <p>15 Q. Is that your wife's signature?</p> <p>16 A. Yeah, it appears to be.</p> <p>17 Q. Do you know if that's her handwriting on the</p> <p>18 bottom there where it says, "Mailed to them was</p> <p>19 4.19"?</p> <p>20 A. Yes.</p> <p>21 Q. Okay, and then turn to 24917 within that same</p> <p>22 document.</p> <p>23 A. Looks like a fax cover sheet from Chase.</p> <p>24 Q. And it's addressed to you and Mr. Langley; is</p> <p>25 that right?</p> | <p style="text-align: right;">Page 32</p> <p>1 MR. STERN: Objection, form.</p> <p>2 A. I was not a contact with Chase for any of the</p> <p>3 typewritten information on the subsequent page,</p> <p>4 24918, I would not have been a contact for</p> <p>5 that, for any of this information.</p> <p>6 Q. (By Mr. Coffin) Generally speaking, were you</p> <p>7 involved in responding to --</p> <p>8 A. Can I -- I'm sorry.</p> <p>9 Q. Go ahead.</p> <p>10 A. No. 2 possibly would have been within my area,</p> <p>11 some of that in item 2. Excuse me.</p> <p>12 Q. In general, though, during that period of time,</p> <p>13 were you involved in responding to inquiries</p> <p>14 such as this from potential buyers?</p> <p>15 A. Such as this inquiry, no. Subject to inquiries</p> <p>16 relative to my areas, yes.</p> <p>17 Q. Turn over to Government Exhibit 303.</p> <p>18 A. (Witness complies.)</p> <p>19 Q. This, Mr. Korb, once again, is a set of</p> <p>20 documents that I sent to your lawyer. And I</p> <p>21 generally categorized all the documents, these</p> <p>22 are documents related to Enron's potential</p> <p>23 purchase.</p> <p>24 MR. STERN: Are you testifying to</p> <p>25 that?</p> |
| <p style="text-align: right;">Page 31</p> <p>1 A. Correct.</p> <p>2 Q. Was it normal for you to receive these kind of</p> <p>3 requests or these kind of faxes from Chase</p> <p>4 during that period of time?</p> <p>5 A. Let me glance and see what the --</p> <p>6 Q. Sure.</p> <p>7 A. -- to what they are requesting.</p> <p>8 My -- I mean, I would have received --</p> <p>9 I very well -- do you want me to go back and</p> <p>10 look through what they were requesting to see</p> <p>11 whether I would normally receive this?</p> <p>12 Q. Well, no. My question is, I guess, there is no</p> <p>13 reason for you to dispute that you didn't</p> <p>14 receive requests such as this from Chase; is</p> <p>15 that right?</p> <p>16 A. No, I have no reason to dispute that I received</p> <p>17 this.</p> <p>18 Looking at the list behind it, I mean,</p> <p>19 they're talking about permits, easements,</p> <p>20 safety, I would have had nothing to do with any</p> <p>21 of that.</p> <p>22 Q. Is there a reason then why Chase would have</p> <p>23 listed you and Mr. Langley? Were you somewhat</p> <p>24 of a contact with Chase, between the Bishop</p> <p>25 Group and Chase?</p> | <p style="text-align: right;">Page 33</p> <p>1 MR. COFFIN: No, I'm just saying --</p> <p>2 MR. STERN: I object to the form.</p> <p>3 MR. COFFIN: This is what I</p> <p>4 categorized it as.</p> <p>5 Q. (By Mr. Coffin) Do you see the front page of</p> <p>6 that exhibit where it has -- looks like copies</p> <p>7 of business cards that were made?</p> <p>8 A. Yes.</p> <p>9 Q. Was that a practice that somebody at the Bishop</p> <p>10 Company did related to potential purchasers?</p> <p>11 A. Yes.</p> <p>12 Q. Was it performed whenever the people or the</p> <p>13 potential purchaser or their team would come</p> <p>14 in?</p> <p>15 A. Yes, yes. Typically, we would do these as part</p> <p>16 of the presentation. It was the most likely</p> <p>17 time we had the largest group of the potential</p> <p>18 buyers in front of us was the presentation, and</p> <p>19 we would gather business cards and make copies</p> <p>20 of them like this.</p> <p>21 Q. Turn to the third page of this exhibit, please,</p> <p>22 which is that page right there.</p> <p>23 A. To 870?</p> <p>24 Q. Yes.</p> <p>25 Looks like it says "Data Room Index."</p> |

9 (Pages 30 to 33)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

| Page 34 | Page 36 |
|--|---|
| <p>1 Could you generally explain what the purpose of 2 this document was? 3 A. It pretty -- I mean, it is what -- it was an 4 index of all of the documents that were within 5 the data room. 6 Q. And it was presented to potential buyers or the 7 team of people that -- 8 A. Yes. 9 MR. STERN: Can I just interrupt, 10 David -- 11 MR. COFFIN: Sure. 12 MR. STERN: -- and have him define, 13 what are the Bates ranges of what he's just 14 testified as the data room index? 15 Q. (By Mr. Coffin) Did you hear that request, 16 Mr. Korb? 17 A. No, I'm sorry. 18 Q. Give the Bates range for the data room index. 19 A. Oh, the -- are you saying -- 020870 through 20 020887. 21 Q. And then follow that, there are documents 22 entitled at the top Document Request List? 23 A. Correct. 24 Q. If you recall, what were the purposes -- what 25 was the purpose of a document such as this in</p> | <p>1 A. (Witness complies.) 2 Q. Do you recall representatives of the Buckeye 3 Pipeline Company coming in as a potential 4 buyer? 5 A. Yes. 6 Q. Did you know, at the time, were you aware of 7 who Buckeye Pipeline Company was, as far as the 8 size of the company? 9 MR. STERN: Objection, form. 10 A. Buckeye was a company that I had not heard of 11 until they came in. I mean, I did not prepare 12 any research on Buckeye. My recollection was 13 Chase did do a little, you know, these guys are 14 this size and here's their revenue, you know, 15 just very, very big picture. 16 Q. If you turn to 21189, which I don't know if 17 these are necessarily in consecutive order, but 18 same exhibit, it would be about halfway into it 19 probably. 20 MR. STERN: Is this your compilation 21 or is this how these documents were produced? 22 MR. COFFIN: This is my compilation. 23 A. This one is 21190. 24 Q. (By Mr. Coffin) Okay, I think these got out of 25 order, but go to the end of that document and</p> |
| Page 35 | Page 37 |
| <p>1 relation to a data room visit? 2 A. My -- I mean, I really didn't have any 3 administrative oversight over the data room. 4 Q. Have you seen a document such as this before? 5 A. I don't -- I mean, it's -- I don't recollect 6 ever seeing it. 7 (A recess was taken.) 8 Q. (By Mr. Coffin) Turn to 304, please. 9 A. (Witness complies.) 10 Q. Mr. Korb, do you recall representatives of 11 Reliant Energy coming to or sitting in on a 12 presentation as a potential buyer? 13 A. I recall Reliant coming in for the 14 presentation. 15 Q. With regard to the larger entities -- and we 16 talked about some of this -- Reliant, Enron and 17 the Williams Companies, was there any -- we 18 talked a bit about this earlier -- was there 19 any research done to the financial capabilities 20 of these types of companies to carry out a 21 transaction with the Bishop Group? 22 A. I never -- I never participated in any 23 research, and I have no knowledge as to whether 24 anybody else did or not. 25 Q. Turn to Government Exhibit 305, please.</p> | <p>1 they should be in there. 2 MR. STERN: What are we looking for? 3 MR. COFFIN: 21189. At the top it 4 says, "When not in Las Vegas." 5 A. Here it is. 6 Q. (By Mr. Coffin) Is this something that you 7 think Chase would have researched and brought 8 in? 9 MR. STERN: Objection, form. 10 A. They could have. It's possible they did. It's 11 possible I did -- you know, I would have 12 looked -- gone on the Internet and looked for a 13 10-K. 14 Q. (By Mr. Coffin) Do you recall why -- was there 15 a concern as to the companies, like Buckeye, as 16 to their financial capabilities? 17 MR. STERN: Objection, form. 18 A. I don't know what you mean by concern. I mean, 19 of the -- if I didn't know -- if I had never 20 heard of the company when they came in, I would 21 have probably had a verbal conversation with 22 Chase where they may have provided me 23 something, or I may have just gone on the 24 Internet and looked at a public -- you know, 25 just never spending more than 10 or 15 minutes</p> |

10 (Pages 34 to 37)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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|---|--|
| <p style="text-align: right;">Page 38</p> <p>1 doing that.</p> <p>2 My assumption was somebody else -- if</p> <p>3 they -- if they were in the data room, they</p> <p>4 were supposed to be there, was my assumption,</p> <p>5 or if they were in the presentation/data room.</p> <p>6 Q. When you say they were supposed to be there,</p> <p>7 what do you mean by that?</p> <p>8 A. That somebody higher than my pay grade had done</p> <p>9 the research that I believe you are referring</p> <p>10 to.</p> <p>11 Q. And on to Government Exhibit 306. It looks</p> <p>12 like business cards of representatives from the</p> <p>13 Kaneb -- is it Kaneb Pipeline Company?</p> <p>14 A. That's my recollection.</p> <p>15 Q. Do you recall representatives of Kaneb coming</p> <p>16 in as a potential buyer?</p> <p>17 A. Not specifically. I remember -- I don't</p> <p>18 remember specifically. I remember one -- they</p> <p>19 are one of the entities that did come in.</p> <p>20 Q. Mr. Korb, are you familiar with the name of an</p> <p>21 entity known as Fortrend?</p> <p>22 A. Yes.</p> <p>23 Q. When did you become familiar with the name of</p> <p>24 that entity?</p> <p>25 A. I don't remember specifically.</p> | <p style="text-align: right;">Page 40</p> <p>1 Q. It describes Fortrend International. Do you</p> <p>2 recall ever seeing these two pages, PWC118 and</p> <p>3 PWC119?</p> <p>4 A. No, I do not recall that.</p> <p>5 Q. On the front page of the document, under the</p> <p>6 Comments section, Mr. Hoffman says, "Bruce, I</p> <p>7 enjoyed our conversation last week. Sorry this</p> <p>8 is a little late. I wanted to make sure I</p> <p>9 could get comments from others in my firm that</p> <p>10 are out of the country right now."</p> <p>11 Did you ever participate in a</p> <p>12 conversation between Mr. Snyder, or where</p> <p>13 Mr. Snyder and Mr. Hoffman were involved?</p> <p>14 A. I don't recall.</p> <p>15 Q. Did you ever participate in any telephone</p> <p>16 conferences where Mr. Hoffman was on the phone?</p> <p>17 A. I don't recall.</p> <p>18 Q. What do you know about Fortrend International,</p> <p>19 LLC?</p> <p>20 MR. GEIGER: I'm sorry, what does he</p> <p>21 know now or what did he know at the time of</p> <p>22 December 26th?</p> <p>23 Q. (By Mr. Coffin) What do you know now?</p> <p>24 A. What do I know now? I mean, I haven't read --</p> <p>25 I can read this whole exhibit, this --</p> |
| <p style="text-align: right;">Page 39</p> <p>1 Q. Would it have been in 1999?</p> <p>2 A. Yes.</p> <p>3 Q. Turn to Government Exhibit 26, please.</p> <p>4 A. (Witness complies.)</p> <p>5 Q. This is a facsimile from Fortrend</p> <p>6 International, LLC, to Mr. Bruce Snyder, E&Y,</p> <p>7 and Tom Palmisano from -- specifically from</p> <p>8 Craig J. Hoffman at Fortrend International.</p> <p>9 Did you know Mr. Hoffman?</p> <p>10 A. Yes, I met Mr. Hoffman.</p> <p>11 Q. Do you recall when you first met him?</p> <p>12 A. It would have been in that same 1999 time</p> <p>13 period.</p> <p>14 Q. Do you recall where he was when you met him?</p> <p>15 A. No, not...</p> <p>16 Q. Did you know Mr. Snyder?</p> <p>17 A. Yes.</p> <p>18 Q. How did you know Mr. Snyder?</p> <p>19 A. Mr. Snyder was a principal at Ernst & Young and</p> <p>20 worked on the tax side, and I had had several</p> <p>21 dealings with him through the years.</p> <p>22 Q. Attached to the cover page of this facsimile,</p> <p>23 Mr. Korb, it says "Firm History" at the top</p> <p>24 there. Do you see that?</p> <p>25 A. Yes.</p> | <p style="text-align: right;">Page 41</p> <p>1 Q. Well, I want to know what you know now based on</p> <p>2 your knowledge.</p> <p>3 A. Just -- very little. They bought the pipeline,</p> <p>4 that's about it.</p> <p>5 Q. Did you ever have any discussions with</p> <p>6 Mr. Snyder about Fortrend International?</p> <p>7 A. I don't recall.</p> <p>8 Q. Do you recall when the first time you heard of</p> <p>9 Fortrend International was?</p> <p>10 A. It was part of this sale process and it was --</p> <p>11 it was somewhere in the process they came in as</p> <p>12 an alternate potential buyer.</p> <p>13 Q. What did you know about Fortrend</p> <p>14 International's finances at the time, do you</p> <p>15 recall?</p> <p>16 A. Zero.</p> <p>17 Q. Do you recall doing anything specifically to</p> <p>18 learn about Fortrend's financial capabilities?</p> <p>19 A. No.</p> <p>20 Q. Do you recall if anybody ever discussed whether</p> <p>21 Fortrend had the financial capability to enter</p> <p>22 into a transaction with the Bishop Group?</p> <p>23 A. No.</p> <p>24 Q. Tell me again, how did you know Craig Hoffman?</p> <p>25 A. Just as part of this process.</p> |

11 (Pages 38 to 41)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

| Page 42 | Page 44 |
|---|--|
| <p>1 Q. What did you know about Mr. Hoffman?</p> <p>2 A. That he worked for Fortrend.</p> <p>3 Q. Do you recall what his title was?</p> <p>4 A. No, I don't. I mean, I know he was -- he</p> <p>5 was -- no, I don't recollect his title.</p> <p>6 Q. Turn to Government Exhibit 316, please.</p> <p>7 A. Witness complies.</p> <p>8 Q. This is a letter, Mr. Korb, on the KPC</p> <p>9 letterhead, dated August 23rd of 1999, sent by</p> <p>10 FedEx to Mr. Richard Robert; is that right?</p> <p>11 A. Correct.</p> <p>12 Q. Is that your signature at the bottom?</p> <p>13 A. Yes.</p> <p>14 Q. It looks like you are responding to an e-mail</p> <p>15 request made from Bill Bray, who was also</p> <p>16 employed at Midcoast; is that right?</p> <p>17 A. Correct.</p> <p>18 Q. And it lists three requests at the bottom?</p> <p>19 A. Correct.</p> <p>20 Q. One, 3 and 4. On the fourth one it says "Tax</p> <p>21 Structure. I will attempt --</p> <p>22 A. Correct.</p> <p>23 Q. "I will attempt to contact our EY person</p> <p>24 tomorrow and arrange a conference call ASAP. I</p> <p>25 will contact you today, 8/24, to confirm</p> | <p>1 you don't have a copy of. This is, I'll</p> <p>2 represent to you, a draft of a letter, it's</p> <p>3 called a Representation Letter, I believe, to</p> <p>4 Price Waterhouse Coopers, written for</p> <p>5 Midcoast's signature. There's a recitation of</p> <p>6 facts within the document.</p> <p>7 And it reads on the second page of the</p> <p>8 document, "Midcoast independently pursued the</p> <p>9 so-called midco transaction as a structural</p> <p>10 alternative.</p> <p>11 "On August 24, 1999, PWC discussed the</p> <p>12 midco with Midcoast and Fortrend separately.</p> <p>13 "On August 25, 1999, PWC, Fortrend and</p> <p>14 Midcoast discussed the midco.</p> <p>15 "On August 26, 1999, PWC, Bishop,</p> <p>16 (Steve Korb), EY, (Bruce Snyder) and Fortrend,</p> <p>17 (Craig Hoffman) discussed the midco."</p> <p>18 Do you recall participating in any</p> <p>19 discussion described here?</p> <p>20 A. Not specifically.</p> <p>21 Q. Do you recall the terms midco or intermediary</p> <p>22 transaction raised in any of the discussions</p> <p>23 with either Ernst & Young or Craig Hoffman or</p> <p>24 representatives of Midcoast?</p> <p>25 A. Can you repeat that question?</p> |
| Page 43 | Page 45 |
| <p>1 status."</p> <p>2 Do you recall what the tax structure</p> <p>3 request was made by the representatives of</p> <p>4 Midcoast?</p> <p>5 MR. STERN: Objection to form.</p> <p>6 A. No.</p> <p>7 Q. (By Mr. Coffin) Do you recall arranging a</p> <p>8 conference call regarding the tax structure?</p> <p>9 A. Not specifically.</p> <p>10 Q. How about generally?</p> <p>11 A. We had -- we had multiple calls with multiple</p> <p>12 potential buyers between Ernst & Young,</p> <p>13 primarily Bruce Snyder, and buyers. We would</p> <p>14 arrange conference calls between Bruce and</p> <p>15 potential buyers multiple times. And that's</p> <p>16 what I mean by specifically. I don't remember</p> <p>17 specifically, in answer to this question,</p> <p>18 having arranged that call, but it's possible</p> <p>19 that I would have. And I would have been the</p> <p>20 person probably responsible for coordinating</p> <p>21 that call happening.</p> <p>22 Q. But you don't recall participating in such a</p> <p>23 call though; is that right?</p> <p>24 A. No, not specifically.</p> <p>25 Q. Mr. Korb, I have Government Exhibit 165, which</p> | <p>1 MR. COFFIN: Read it back, please.</p> <p>2 (The pending question was read by the</p> <p>3 reporter.)</p> <p>4 A. Not specifically.</p> <p>5 Q. (By Mr. Coffin) Generally, do you recall?</p> <p>6 A. We had so many conversations with so many</p> <p>7 different potential buyers that --</p> <p>8 Q. I'm limiting it to the discussion of the terms</p> <p>9 midco and intermediary transaction, though. Do</p> <p>10 you recall those two terms being used?</p> <p>11 A. No.</p> <p>12 Q. Not at all?</p> <p>13 A. No.</p> <p>14 Q. Do you recall how Fortrend came in as a</p> <p>15 potential buyer of the stock of the Bishop</p> <p>16 Company?</p> <p>17 A. No.</p> <p>18 Q. Do you recall having any discussions with</p> <p>19 Mr. Langley or anybody from PWC wherein the</p> <p>20 phrases "intermediary transaction" or "midco</p> <p>21 transaction" were ever discussed?</p> <p>22 A. No.</p> <p>23 Q. With regard to Fortrend's involvement or</p> <p>24 acquisition of stock of Bishop, can you just</p> <p>25 give me your recollection in your own words as</p> |

12 (Pages 42 to 45)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 46</p> <p>1 to how you recall Fortrend coming into the mix 2 and what eventually occurred? 3 A. Fortrend was not one of the initial prospective 4 buyers that were brought to us by Chase. They 5 came in later in the process. My recollection, 6 by the time Fortrend came in, we were all in -- 7 or I was heavily involved with, as I remember, 8 Enron, Buckeye, providing a lot -- and 9 Midcoast, providing a lot of data to them. My 10 biggest recollection is I don't want to have to 11 deal with somebody else right now, but 12 providing them financial projections and stuff 13 with somebody else right now. 14 How they came in, that was just -- 15 that's my basic recollection. They came in 16 late and I was at a point where research on 17 like Buckeye, who had come in earlier, who I 18 didn't know, where I would have done, by the 19 time Fortrend came in, later in the process, I 20 was too busy to do any research. 21 Q. What kind of research are you talking about? 22 A. Just maybe going on the Internet and looking 23 for a 10-K, you know, which I may have asked 24 Chase -- I would have -- you know, when Buckeye 25 came in, earlier in the process, I do recollect</p> | <p style="text-align: right;">Page 48</p> <p>1 A. I mean, I know -- recall -- I don't 2 specifically -- I mean, they weren't really any 3 different than anybody else, providing -- from 4 my standpoint, I provided cash flow analysis, 5 answered -- 6 Q. Did you -- 7 MR. STERN: Can you let him finish his 8 answer, please? 9 Q. (By Mr. Coffin) I'm sorry. 10 A. I mean, I know that I sent Craig Hoffman -- I 11 recollect, you know, sending him electronic 12 copies of cash flow projections and that's it. 13 Q. What else would you have sent him? 14 A. I mean, if -- would I have sent him? 15 Q. Uh-huh. What else do you recall sending him? 16 A. I don't recall specifically sending him 17 anything other than sending him a file, an 18 electronic spreadsheet file. 19 Q. What was on that file? 20 A. Just the same cash flow projection information 21 that we were sending to everybody else. 22 Q. Do you recall any other requests that he made 23 for information? 24 A. Not specifically. 25 Q. Were you aware at the time that Fortrend, or</p> |
| <p style="text-align: right;">Page 47</p> <p>1 somehow getting something from Buckeye. I 2 don't know who these people are. 3 By the time Fortrend came in, we were 4 further along in the process and I was too busy 5 and I don't remember doing anything or looking 6 at anything on who they were. 7 Q. You didn't know who they were? 8 A. I don't remember looking or hearing or doing 9 any research on who they were. 10 Q. Do you remember if anybody did any research on 11 who Fortrend was? 12 A. No. 13 Q. So at that period of time, through getting 14 requests from Midcoast, Enron, Buckeye, for 15 documents and things? 16 A. I mean, I know Buckeye was in the process late. 17 I believe Enron was -- stayed through pretty 18 much the whole process. I don't know when 19 specifically the other ones dropped in and/or 20 out of the process. But there were multiple 21 entities that we were -- that were still in the 22 process by the time Fortrend came in. 23 Q. So you said "Fortrend came in." Then what do 24 you recall transpired after that with regard to 25 the transaction, stock transaction?</p> | <p style="text-align: right;">Page 49</p> <p>1 one of its affiliated entities, once it would 2 buy the stock of the Bishop Group, that it 3 would turn around and sell the assets to 4 Midcoast? 5 A. No. 6 Q. Did you ever become aware of that fact? 7 A. I eventually knew that Midcoast acquired the 8 assets. 9 Q. When did you discover that? 10 A. I don't remember specifically. After -- I 11 mean, it was after we had closed, it was after 12 we had closed. 13 Q. Were you involved in any of the negotiations 14 that took place between Mr. Langley and the 15 various potential buyers? 16 A. In some cases. 17 Q. Do you recall which potential buyers those 18 were? 19 A. Not specifically. 20 Q. Do you recall any negotiations between 21 Mr. Langley and K-Pipe or Fortrend? 22 A. I have no specific recollection of sitting in 23 on meetings between K-Pipe, Mr. Langley and 24 myself. 25 Q. Do you have any general recollections of that</p> |

13 (Pages 46 to 49)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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|---|---|
| <p style="text-align: right;">Page 50</p> <p>1 occurring?</p> <p>2 A. No.</p> <p>3 Q. Turn to Government Exhibit 308, please.</p> <p>4 A. I have it.</p> <p>5 Q. Is that your signature at the bottom, Mr. Korb?</p> <p>6 A. Yes.</p> <p>7 Q. This is a letter from Bishop Group, Limited, to</p> <p>8 Mr. Hoffman?</p> <p>9 A. Correct.</p> <p>10 Q. Do you recall this request from Mr. Hoffman for</p> <p>11 federal income tax returns?</p> <p>12 A. I mean, I don't specifically, but this is --</p> <p>13 this is what I would have done.</p> <p>14 Q. Same thing on the third page of that document.</p> <p>15 There is a letter from Bishop Group, dated</p> <p>16 October 22nd of '99, to Mr. Hoffman.</p> <p>17 MR. STERN: Third page of the exhibit</p> <p>18 or the document?</p> <p>19 MR. COFFIN: The exhibit.</p> <p>20 A. DOJ 021346?</p> <p>21 Q. (By Mr. Coffin) Yes, yes.</p> <p>22 Do you recall this request from</p> <p>23 Mr. Hoffman?</p> <p>24 A. Not specifically. But again, this is something</p> <p>25 I would have done.</p> | <p style="text-align: right;">Page 52</p> <p>1 A. I see one entry on this page.</p> <p>2 Q. And above that, Emily K. Burns I think is the</p> <p>3 employee who logged the time and estimated</p> <p>4 fees. She writes that she "Researched</p> <p>5 applicable penalties and interests associated</p> <p>6 with selling stock to an intermediary versus</p> <p>7 the sale of assets." On 10/22 she met with</p> <p>8 Bruce Snyder. On 10/22, she also met with</p> <p>9 Steve from Bishop to discuss interest and</p> <p>10 penalties spreadsheet comparing asset sale</p> <p>11 versus stock sale.</p> <p>12 Do you recall meeting with Emily Burns</p> <p>13 of Ernst & Young around that period of time?</p> <p>14 A. I don't have any specific recollection of that</p> <p>15 meeting.</p> <p>16 Q. Did you ever discuss an interest and penalties</p> <p>17 spreadsheet with anyone from Ernst & Young?</p> <p>18 A. I don't have any recollection of specifically</p> <p>19 that being done.</p> <p>20 Q. Do you remember a request being made to Ernst &</p> <p>21 Young to prepare a spreadsheet discussing</p> <p>22 interest and penalties?</p> <p>23 A. No, I can't remember doing that.</p> <p>24 Q. Go to Government Exhibit 310, please.</p> <p>25 A. (Witness complies.)</p> |
| <p style="text-align: right;">Page 51</p> <p>1 Q. Turn to the next page, which is DOJ 21345 of</p> <p>2 Government Exhibit 308.</p> <p>3 A. (Witness complies.)</p> <p>4 Q. This is a memo from Mr. Teno Minaldo to</p> <p>5 Mr. Hoffman, dated November of '99 sometime.</p> <p>6 Who is Mr. Minaldo?</p> <p>7 A. Mr. Minaldo was general counsel for Bishop</p> <p>8 Group.</p> <p>9 Q. Do you have any knowledge of what the Butcher</p> <p>10 Interest were?</p> <p>11 A. Just vague recollection that they were out</p> <p>12 there and -- I mean, it's -- at one point I may</p> <p>13 have known, you know, generally how it worked,</p> <p>14 but I certainly have forgotten that by now.</p> <p>15 Q. Turn back to Government Exhibit 225.</p> <p>16 A. (Witness complies.)</p> <p>17 Q. Flip to DOJ 4404.</p> <p>18 A. (Witness complies.)</p> <p>19 Q. This is, Mr. Korb, a log of hours and estimated</p> <p>20 fees for Ernst & Young, Mr. Snyder testified to</p> <p>21 previously. The page I asked you to look at,</p> <p>22 4404, there is an entry there dated October</p> <p>23 21st of '99. Do you see that?</p> <p>24 A. October 21st of 99?</p> <p>25 Q. Yes.</p> | <p style="text-align: right;">Page 53</p> <p>1 Q. This is a memorandum from you to Mr. Hoffman;</p> <p>2 is that right?</p> <p>3 A. Correct.</p> <p>4 Q. Dated January 25 of 2000. And the memo head is</p> <p>5 from Management Resources Group, LLC; is that</p> <p>6 right?</p> <p>7 A. Correct.</p> <p>8 Q. It says -- the memo describes the calculation</p> <p>9 of the revised adjustment amount of 2,249,689.</p> <p>10 Do you recall preparing this memo?</p> <p>11 A. I don't specifically recall preparing this</p> <p>12 memo, but this is what I would have done.</p> <p>13 Q. Tell me what the subject matter of the contents</p> <p>14 of this memo was.</p> <p>15 A. The contracts -- the stock purchase agreement,</p> <p>16 as I recall, or one of the agreements, had a</p> <p>17 provision for a working capital adjustment,</p> <p>18 which was designed to match receivables,</p> <p>19 payables. There was an estimate of the</p> <p>20 position of the company at the time of the</p> <p>21 sale, the stock sale, recognizing that there</p> <p>22 would be invoices that would come in after the</p> <p>23 fact, and invoices that would be paid before</p> <p>24 the fact, that would need to be adjusted to</p> <p>25 make everybody whole.</p> |

14 (Pages 50 to 53)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 54</p> <p>1 Q. It looks like, at the end of the document, your 2 calculation resulted in an additional amount 3 seller of 593,383; is that right? 4 A. Yeah, that's what it says. 5 Q. I assume you transmitted this to Mr. Hoffman so 6 that he or somebody from Fortrend or K-Pipe 7 would pay that amount; is that right? 8 A. I mean, that's -- that is what I would have 9 done. 10 Q. Do you recall if the amount was ever paid or 11 not? 12 A. I don't -- don't recall whether that was ever 13 paid, not specifically. 14 Q. Do you remember if there was ever any issue 15 of -- did you ever wonder if Craig Hoffman or 16 his entities, Fortrend or K-Pipe, had the 17 ability to pay that amount -- 18 MR. STERN: Objection, form. 19 Q. (By Mr. Coffin) -- the 593,000? 20 A. At the time of this -- that this memo was 21 written? 22 Q. Yes, sir. 23 A. At the time that this memo was written, of 24 January 25th, I didn't care. 25 Q. Why was that?</p> | <p style="text-align: right;">Page 56</p> <p>1 Q. As opposed to being the company's tax advisor? 2 A. Correct. 3 Q. Did you have discussions with anybody at Meara, 4 King & Co., around November 5 of '99? 5 A. Yes, I would have. 6 Q. What was the subject matter of those 7 conversations? 8 A. I don't specifically remember, you know, what 9 the -- I mean, I know I would have discussed 10 the tax treatment of the sale of Dennis' stock 11 with Julie Welch. 12 Q. Now, it seems to me that it's outside the scope 13 of your duties that you had with the Bishop 14 Group, so I was just wondering how you 15 reconciled that. 16 A. I had -- I had a limited involvement in just 17 coordinating, getting Dennis' personal 18 information to his tax accountants. I had no 19 involvement in preparing it. I was gathering 20 information and providing it to his tax 21 counsel/preparer/advisor. 22 Q. Would you have been aware of the basis of the 23 assets owned by the Bishop Group, more 24 specifically, Kansas Pipeline Company, the tax 25 basis?</p> |
| <p style="text-align: right;">Page 55</p> <p>1 A. Because -- because the eagle had landed, Dennis 2 was -- Mr. Langley was a very wealthy man at 3 that point. It was a lot -- it was and still 4 is a lot of money to me. But at this point, I 5 might have still been in a little bit of a 6 celebratory mode, so I really didn't -- yes, I 7 would have, you know, been interested, and I'm 8 not saying I would have ignored it, but -- at 9 all, but, you know, I can't specifically 10 recollect getting that money and... 11 Q. Do you recall pursuing the collection of that 12 amount? 13 A. No, I don't. 14 Q. Go to Government Exhibit 312, please. 15 A. (Witness complies.) 16 Q. This is a letter and attached memo, I believe, 17 from Meara, King & Co., certified public 18 accountants. Do you see that? 19 A. Yes. 20 Q. Dated November 5 of '99? 21 A. Correct. 22 Q. Do you recall what kind of services Meara, King 23 & Co., provided to Mr. Langley? 24 A. Meara, King was Dennis' personal tax 25 advisor/preparer.</p> | <p style="text-align: right;">Page 57</p> <p>1 MR. STERN: When? 2 Q. (By Mr. Coffin) Back during this period of 3 time, November 5 of '99. 4 A. Would I have been aware of the -- of... 5 Q. The tax basis of the assets opened by the 6 Bishop Group, Limited. 7 A. I might have been -- I would not have been 8 involved in preparing it, evaluating it. I may 9 have been involved -- I may have been aware as 10 to what the number was. 11 Q. Turn to 313, please. 12 A. (Witness complies.) 13 Q. Mr. Korb, this is a document that discusses the 14 Butcher Interest? 15 A. Correct. 16 Q. It talks about, in No. 1 -- let me back up. 17 Have you seen this document before? 18 A. Not before yesterday, seeing it in the list of 19 the documents you provided. 20 Q. No. 1 talks about the fair market value of the 21 Butcher Interest back in May 4 of 1990. My 22 question to you more is, with regard to the 23 Butcher Interest, did you ever have occasion to 24 calculate the fair market value of that? 25 A. No.</p> |

15 (Pages 54 to 57)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

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| <p style="text-align: right;">Page 58</p> <p>1 Q. Did you ever have occasion to work with the 2 fair market value of that -- or to discover the 3 fair market value through any of your dealings 4 during that period of time, in '99, of the fair 5 market value of the Butcher Interest? 6 A. I think -- can you just -- 7 Q. It was a terrible question. 8 Did you ever discover, during 1999, 9 what the fair market value of Butcher Interest 10 was? 11 A. I would have -- I would have done a cash flow 12 projection of what the Butcher Interest's cash 13 flow would have been or projected what Butcher 14 Interest's cash flow would have been, which 15 would have been a primary input into 16 determining what the fair market value would 17 be. 18 Q. Do you recall if anybody ever made that 19 determination? 20 A. I don't specifically recall whether that 21 determination of what the Butcher Interest was 22 in 1999, what the fair market value, what the 23 cash flow projections. If it was done, I 24 probably was the one to have done it. 25 MR. COFFIN: Let's take a five-minute</p> | <p style="text-align: right;">Page 60</p> <p>1 questions about whether or not you had made any 2 inquiries about Fortrend's financial 3 wherewithal to do various things. Do you 4 recall that? 5 A. Yes. 6 Q. To the extent you testified that you did not, 7 does that mean that someone else did not on the 8 Langley side of this transaction? 9 MR. COFFIN: Objection, foundation. 10 A. I'm sorry, one more time. 11 Q. (By Mr. Stern) Well, I just want to understand 12 whether, when you say "you" didn't do 13 something, specifically with respect to looking 14 into Fortrend's background, does that mean that 15 no one else did? 16 A. No, no, it doesn't mean that at all, no. 17 Q. Because I think, as you just testified to, 18 there were others with higher pay grades that 19 were looking at that information? 20 A. Oh, absolutely, absolutely. 21 Q. I want to go back to Exhibit 301. This was the 22 Williams compilation that Mr. Coffin had put 23 together. There's something before that. 24 MR. COFFIN: 302 is the Williams 25 compilation.</p> |
| <p style="text-align: right;">Page 59</p> <p>1 break. 2 (A recess was taken.) 3 Q. (By Mr. Coffin) Earlier, you mentioned, we 4 were talking about doing the background check 5 on potential companies, to determine their 6 financial capabilities, and you said that there 7 was somebody with a higher pay grade that would 8 be responsible for determining whether a 9 potential buyer was supposed to be in the data 10 room or not. Do you recall that line of 11 testimony? Who might those people be? 12 A. That would have been Chase and Dennis Langley. 13 Q. I may have asked the second question before, 14 but did I ask you specifically who brought 15 Fortrend into the transaction? 16 A. If you -- if you did, I don't -- I mean, if you 17 did, I would have answered, and still will, 18 that I don't recall how they came to the 19 transaction. 20 MR. COFFIN: Pass the witness. 21 EXAMINATION BY MR. STERN: 22 Q. Mr. Korb, I want to follow up on a couple of 23 questions Mr. Coffin asked you and maybe a 24 variation on what he just asked you. 25 Earlier, he asked you a series of</p> | <p style="text-align: right;">Page 61</p> <p>1 MR. STERN: Yes, 301. 2 Q. (By Mr. Stern) 301 was the list of prospective 3 buyers, and there's a date up in the top 4 left-hand corner. Do you see that? 5 A. Yes. 6 Q. That's 7/19/99, right? 7 A. Correct. 8 Q. And there's a reference there to "Project Ruby 9 contact sheet." Does Project Ruby mean 10 anything to you? 11 A. Yeah, that was the title that Chase had given 12 this whole process of selling. 13 Q. Is that unusual to give sort of a code name or 14 title to a project like this? 15 A. This -- I have no knowledge as to whether 16 that's usual or unusual for Chase to have done 17 that. 18 Q. What I would like to do is go through this 19 list. Do you recall that Enron Corp. actually 20 visited the data room? 21 A. Yes, I recall that they visited the data room. 22 Q. Did they ultimately make an indicative offer? 23 A. I can't recall. 24 Q. We talked about Williams. We know about 25 Midcoast.</p> |

16 (Pages 58 to 61)

HUNDT REPORTING
214-220-1122

Witness: Stephen Korb

| Page 62 | Page 64 |
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| <p>1 Haddington Venture, do you see 2 that -- 3 A. Yes. 4 Q. -- on the second page. 5 Do you know whether they actually 6 visited the data room? 7 A. Yeah, I know they came in. 8 Q. Do you know whether they made an indicative 9 offer? 10 A. I don't remember. 11 Q. Do you know Haddington Venture was at the time? 12 A. No. 13 Q. Did you make any investigation into their 14 financial wherewithal to do a deal? 15 A. I don't recall. 16 Q. On the next page Reliant Energy is reflected as 17 visiting the data room. Do you recall that 18 they did that? 19 A. Yes. 20 Q. Do you recall whether they made an indicative 21 offer? 22 A. I don't recall. 23 Q. And then the next page we have Buckeye 24 Partners. It indicates that they visited the 25 data room. Is that what you recall?</p> | <p>1 people, whether it was participating in some of 2 the things they were doing, I think there was 3 some consulting about rolling their assets in 4 Ohio. So it wasn't consistent with the formal 5 process that Chase was requiring bidders to 6 comply with. But there were negotiations with 7 Buckeye in terms of doing a deal where -- kind 8 of outside of the scope, whether it included 9 some of these assets, whether it didn't include 10 some of these assets. There was just a lot of 11 preliminary to intermediate discussions as to 12 can we do something else with Buckeye. 13 Q. Okay. Then Kanab Pipeline Company is next. 14 And did they visit the data room? 15 A. Yes. 16 Q. And do you know whether they submitted any type 17 of offer? 18 A. I cannot recall. 19 Q. If we go to Exhibit 302 -- again, this is 20 the -- I'm looking for the index to the data 21 room. I think that was 303. 22 MR. COFFIN: It's 303. 23 Q. (By Mr. Stern) Earlier, Mr. Coffin was 24 questioning you about Exhibit 303 and pages 25 Bates labeled 20870 through 20887, and I</p> |
| Page 63 | Page 65 |
| <p>1 A. Yes. 2 Q. Do you recall whether Buckeye Partners made an 3 indicative offer? 4 A. Yes, they did. 5 Let me back up. Can you define 6 indicative offer? 7 Q. Well, as I understand this bid process, an 8 initial offer was made by various prospects, 9 subject to further due diligence, negotiation 10 and other processes. And I'm focusing on 11 whether that initial bid came in from any of 12 these entities. That's what I'm call an 13 indicative offer. 14 A. No, I cannot recall. Under that frame or under 15 that definition, I cannot recall whether 16 Buckeye Partners submitted an indicative offer 17 or not. 18 Q. When I asked you the question initially, you 19 had something in mind that caused you to answer 20 yes. And what I would like for you to do is 21 tell me what you understood Buckeye Partners 22 submitted. 23 A. Buckeye -- we had continuing negotiations with 24 Buckeye for kind of a structure outside of 25 maybe what we were looking at with other</p> | <p>1 believe you indicated that this was an index of 2 the documents and materials that were in the 3 data room? 4 A. Yes. 5 Q. And to the extent prospective bidders went into 6 the data room, they would have access to these 7 materials? 8 A. Yes. 9 Q. To the extent Fortrend went into the data room, 10 would it have had access to these materials? 11 MR. COFFIN: Objection, form. 12 MR. STERN: What is the objection? 13 MR. COFFIN: There's no testimony they 14 went into the data room. 15 MR. STERN: Well, we'll wait for 16 Cynthia Morelli (ph.) next week. 17 Q. (By Mr. Stern) But to the extent that Fortrend 18 was in the -- well, first of all, do you know 19 whether Fortrend actually went to the data 20 room? 21 A. Fortrend went to the data room? I can't recall 22 whether they ever went to the data room or not. 23 Q. To the extent there's testimony that they did 24 go to the data room, would they have had access 25 to these materials?</p> |

17 (Pages 62 to 65)

Witness: Stephen Korb

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| <p style="text-align: right;">Page 66</p> <p>1 A. The procedure would have been if you had -- had 2 access to the data room, they would have had 3 access to these materials. 4 Q. Would you look at Exhibit 315. 5 A. (Witness complies.) 6 Q. Have you seen this document before? 7 A. I saw it as part of the documents Mr. Coffin 8 provided. 9 Q. Had you seen it prior to that? 10 A. I don't specifically recall seeing it. 11 Q. If you look at page 2, bottom paragraph that 12 carries over onto page 3, this memorandum 13 states, "As a result of the confidential 14 placement memorandum, taxpayer received 15 preliminary indications of interest from five 16 potential purchasers, including Enron 17 Corporation, Buckeye Partners, Haddington 18 Ventures, Midcoast Energy Resources and Kaneb 19 Pipeline Partners, LP." Do you see that? 20 A. Yes. 21 Q. Is that consistent with your memory? 22 A. Yes. 23 Q. If you go to the next page it says, "The 24 proposed purchase prices range from a low of 25 135 million to a high of 195 million, all</p> | <p style="text-align: right;">Page 68</p> <p>1 what-can-we-do-to-help-you-build-your-business 2 type discussion. 3 Q. Do you recall, as part of the process that 4 Chase was managing, Project Ruby, that a form 5 of agreement and plan of merger was supplied to 6 prospective bidders? 7 A. I don't specifically -- I don't recall that. 8 Q. There has been some discussion of the Butcher 9 Interest. 10 A. Yes. 11 Q. There has also been some discussion of the role 12 that you played in connection with submissions 13 to regulators? 14 A. Yes. 15 Q. To your recollection, did the Butcher Interest 16 have any significance or relevance to those 17 submissions? 18 A. I don't recall the Butcher Interest ever being 19 an issue in a regulatory setting, but it might 20 have. I don't remember. 21 Q. Do you recall when the Butcher Interest was 22 established? 23 A. No. 24 Q. Was it part of this Project Ruby that the 25 Butcher Interest was established?</p> |
| <p style="text-align: right;">Page 67</p> <p>1 within the selling range estimated by Chase." 2 Do you see that? 3 A. Yes. 4 Q. Is that consistent with your memory? 5 A. Yes. 6 Q. After these initial indications of interest 7 came in from these five potential purchasers, 8 would you know whether there were further 9 negotiations between the Langley camp and the 10 prospective purchasers regarding a transaction? 11 A. Yes. 12 Q. Do you know how long those negotiations went on 13 with each of these prospective purchasers? 14 A. No, I don't, I don't recall specifically. 15 Q. Do you recall what happened with each of the 16 negotiations with these prospective purchasers, 17 what was the end result? Obviously, none of 18 these purchasers actually did a stock 19 transaction with Mr. Langley, right? 20 A. Correct. 21 Q. Do you recall how their participation ended? 22 A. Not specifically, other than Buckeye, there was 23 some discussions about doing something else 24 with them after, I mean, beyond. The pipelines 25 were gone,</p> | <p style="text-align: right;">Page 69</p> <p>1 A. It predated Project Ruby. 2 Q. Do you know by how much? 3 A. No, no, it was -- but by many years. 4 Q. By many years? 5 A. Yes. 6 MR. STERN: Pass the witness. 7 RE-EXAMINATION BY MR. COFFIN: 8 Q. Mr. Korb, was there a log that was maintained 9 for visitors to the data room, that you recall? 10 A. Yes. 11 Q. Who would have maintained that log? 12 A. Representative Diane Wood at Bryan Cave, and 13 probably my wife, Yvette, both were working 14 that data room. 15 Q. Any idea if that particular log would exist 16 today? 17 A. No idea. 18 Q. If it did exist, do you know where it might be 19 located? 20 A. None. 21 Q. Do you know where any of the books and records 22 that were not transferred over to Midcoast 23 would have been maintained for the Bishop 24 Group's books and records? 25 MR. STERN: Objection, form.</p> |

18 (Pages 66 to 69)

Witness: Stephen Korb

| Page 70 | | | | Page 72 | |
|---------|---|--|--|---------|---|
| 1 | A. No. | | | 1 | RE: Enbridge, vs. USA |
| 2 | MR. COFFIN: I have got no further | | | 2 | |
| 3 | questions. | | | 3 | ____ I certify that I have read my testimony |
| 4 | RE-EXAMINATION BY MR. STERN: | | | 4 | and request that NO changes be made. |
| 5 | Q. Where was the data room physically? | | | 5 | |
| 6 | A. In Bryan Cave's offices. | | | 6 | ____ I certify that I have read my testimony |
| 7 | Q. And Bryan Cave was Mr. Langley's or Bishop | | | 7 | and request that the above changes be |
| 8 | Group's lawyers? | | | 8 | made. |
| 9 | A. They were -- they were representing Bishop | | | 9 | |
| 10 | Group's side of the table, yes. | | | 10 | |
| 11 | Q. In Project Ruby? | | | 11 | |
| 12 | A. In Project Ruby. | | | 12 | STEPHEN KORB |
| 13 | MR. STERN: Thank you. No further | | | 13 | |
| 14 | questions. | | | 14 | |
| 15 | (The deposition concluded at 1:46 | | | 15 | Subscribed and sworn to before me this ____ |
| 16 | p.m.) | | | 16 | day of _____, 2007. |
| 17 | | | | 17 | |
| 18 | | | | 18 | |
| 19 | | | | 19 | |
| 20 | | | | 20 | Notary Public |
| 21 | | | | 21 | State of _____ |
| 22 | | | | 22 | County of _____ |
| 23 | | | | 23 | My Commission Expires _____ |
| 24 | | | | 24 | GLR |
| 25 | | | | 25 | |
| Page 71 | | | | Page 73 | |
| 1 | RE: Enbridge, vs. USA | | | 1 | CERTIFICATE |
| 2 | PG/LN Correction Reason | | | 2 | |
| 3 | _____ | | | 3 | I, Gail L. Riede, a Certified Court Reporter of |
| 4 | _____ | | | 4 | the State of Missouri, do hereby certify: |
| 5 | _____ | | | 5 | That prior to being examined, the witness was |
| 6 | _____ | | | 6 | first duly sworn; |
| 7 | _____ | | | 7 | That said testimony was taken down by me in |
| 8 | _____ | | | 8 | shorthand at the time and place hereinbefore stated |
| 9 | _____ | | | 9 | and was thereafter reduced to typewriting under my |
| 10 | _____ | | | 10 | direction; |
| 11 | _____ | | | 11 | That the foregoing transcript is a true record |
| 12 | _____ | | | 12 | of the testimony given by said witness; |
| 13 | _____ | | | 13 | That I am not a relative or employee or |
| 14 | _____ | | | 14 | attorney or counsel of any of the parties or a |
| 15 | _____ | | | 15 | relative or employee of such attorney or counsel or |
| 16 | _____ | | | 16 | financially interested in the action. |
| 17 | _____ | | | 17 | Witness my hand and seal this 5th day of May, |
| 18 | _____ | | | 18 | 2007. |
| 19 | _____ | | | 19 | |
| 20 | _____ | | | 20 | |
| 21 | _____ | | | 21 | |
| 22 | | | | 22 | |
| 23 | | | | 23 | Gail L. Riede |
| 24 | STEPHEN KORB | | | 24 | Missouri Supreme Court |
| 25 | GLR | | | 25 | Certified Court Reporter (G) |

19 (Pages 70 to 73)

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214-220-1122